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Arizona Corporation Commission

**DOCKETED**

**JUN 20 2007**

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BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION  
OF TRICO ELECTRIC COOPERATIVE,  
INC., FOR A RATE INCREASE.

Docket No. E-01461A-05-0667

**APPLICATION FOR APPROVAL OF  
AMENDED TARIFF**

COMES NOW TRICO ELECTRIC COOPERATIVE, INC., an Arizona nonprofit corporation ("Trico"), and for its Application for approval by the Arizona Corporation Commission ("Commission") of the attached amended Standard Offer Tariff regarding Estimation Methodologies, Schedule EM, alleges as follows.

**I. Name and Address of Applicant and its Officers:**

Trico Electric Cooperative, Inc.  
An Arizona nonprofit corporation  
8600 West Tangerine Road  
Post Office Box 930  
Marana, Arizona 85653

President: George P. Davies  
110 Calle Resplendor  
Tucson, Arizona 85716

1                    Secretary:    Barbara Stockwell  
2                                        P.O. Box 368  
3                                        Arivaca, Arizona 85601

4                    Agent responsible for general management:  
5                                        Mark Schwartz  
6                                        CEO/General Manager  
7                                        Trico Electric Cooperative, Inc.  
8                                        P.O. Box 930  
9                                        Marana, Arizona 85653

10                    **II.    Nature of Application for Approval of Amended Tariff**

11                    Applicant is an Arizona nonprofit corporation and an electric public service corporation  
12                    which serves electricity in portions of Pima, Pinal and Santa Cruz Counties, Arizona, pursuant to  
13                    certificates of convenience and necessity issued by the Commission. Applicant in the above  
14                    entitled proceeding was the Applicant in the Opinion and Order of the Commission in Decision  
15                    No. 68073 entered August 17, 2005, that provides in the third Ordering Paragraph and Finding of  
16                    Fact No. 36(j):

17                                        "Trico should submit a separate tariff describing its  
18                                        estimation methodologies for Commission approval within thirty  
19                                        days of a Decision in this matter in conformance with the  
20                                        situations set forth in the direct testimony of Erinn Andreasen at  
21                                        page 21."

22                    Pursuant thereto, Trico on September 16, 2005, filed with Docket Control a Notice of Filing Tariff  
23                    requesting approval by the Commission of the Standard Offer Tariff Estimation Methodologies  
24                    Schedule EM attached thereto. Subsequently the Commission Staff and Trico have amended such  
25                    proposed Tariff and have agreed upon an amended Tariff, a copy of this is attached hereto and by  
26                    this reference made a part hereof.

27                    **III.    The Proposed Amended Tariff will not Increase Applicant's Rates.**

28                    The implementation of the Amended Tariff will not increase the rates of any consumer of  
29                    the Applicant.


1 **IV. Approval of the Amended Tariff is in the Public Interest.**

2 The amended Tariff set forth herein is fair, just and reasonable to both the consumer served  
3 pursuant to such amended Tariff and to the Applicant. Therefore, such amended Tariff is in the  
4 Public Interest.

5 Applicant prays that the foregoing Application be granted, that the Commission enter an  
6 order approving the amended Tariff, and that such order be granted without a hearing, except at an  
7 Open Meeting of the Commission or a Special Open Meeting prior thereto.

8 RESPECTFULLY SUBMITTED this 1<sup>st</sup> day of June, 2007.

9 WATERFALL ECONOMIDIS CALDWELL  
10 HANSHAW & VILLAMANA, P.C.

11 By   
12 Russell E. Jones  
13 D. Michael Mandig  
14 Attorneys for Trico Electric Cooperative, Inc.  
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1 Original and 13 copies filed this 20 day  
of June, 2007, with:

2 Docket Control  
3 Arizona Corporation Commission  
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## **ELECTRIC RATES**

### **TRICO ELECTRIC COOPERATIVE, INC.**

**8600 W. Tangerine Road**

**Marana, Arizona 85653**

**Filed by: Mark W. Schwirtz**

**Title: CEO/General Manager**

Effective Date:

### **STANDARD OFFER TARIFF**

### **ESTIMATION METHODOLOGIES**

#### **SCHEDULE EM**

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#### **Application**

The Estimation Methodologies Rate (EM) is applicable for purposes of bill estimation for all tariffs in the event a valid meter reading can not be acquired. The Cooperative will make every reasonable attempt to secure an accurate reading of the meter. The Cooperative will make special efforts to secure an accurate reading of the meters for accounts with demand reading.

This rate is not applicable to resale or standby services.

#### **Conditions for Estimated Bills**

Estimated bills will be issued only under the following conditions:

- A. Labor shortages or work stoppages beyond the control of the Cooperative.
- B. Severe weather conditions, emergencies or other causes beyond the Cooperative's control which prevent the Cooperative from reading the meter.
- C. Circumstances that make it dangerous or impossible to read the meter, including but not limited to: locked gates, blocked access to meters, threatening or abusive conduct of customers, vicious or dangerous animals or missing meters.
- D. Failure of a customer who reads his own meter to deliver his meter reading to the Cooperative in accordance with the requirements of the Cooperative billing cycle.
- E. To facilitate timely billing for customers using load profiles.

#### **Notice of Estimation**

Each bill based on estimated usage will indicate that it is an estimated bill and note the reason for estimation.

## ESTIMATION METHODOLOGIES SCHEDULE EM

### Estimation Procedures

Trico currently utilizes a customer information system (CIS) for billing, bill calculations and bill estimations.

- A. Detailed descriptions of estimation procedures for each of the conditions are numbered 1-12 below include but are not limited to:

	Conditions for Estimated Bills	Estimation Procedures
1.	A kWh estimate with at least one year of history for the same customer at same premise or new customer with at least one year of premise history	The CIS system calculates the estimate using the kWh, same month one year prior, from the same premise.
2.	A kWh estimate with less than 12 months' history for the same customer at same premise.	The CIS system calculates the estimate using the kWh of the preceding month from the same premise.
3.	A kWh estimate with less than 12 months' history for a new customer but with history on the premise.	The CIS system calculates the estimate using the kWh of the preceding month from the same premise.
4.	A kWh estimate with no prior consumption history.	The CIS system will bill the fixed monthly customer charge only. The kWh will be billed with the next valid read in accordance with the Arizona Administrative Code.
5.	A kW estimate with a least one year of history for the same customer at same premise or new customer with one year of premise history.	The CIS system calculates the estimate using the kW, same month one year prior, from the same premise.
6.	A kW estimate with less than 12 months' history for the same customer at same premise.	The CIS system calculates the estimate using the kW of the preceding month from the same premise.
7.	A kW estimate with less than 12 months' history for a new customer but with history on the premise.	The CIS system calculates the estimate using the kW of the preceding month from the same premise.
8.	A kW estimate with no prior consumption history.	The CIS system does not estimate, a service order is issued for a meter technician to obtain a valid read.
9.	Time-of-Use estimate with at least one year of history for the same customer at same premise or new customer with at least one year of premise history.	Time-of-Use has two readings, "on-peak" and "off-peak". The CIS system calculates the estimate using the "on peak" and "off-peak" kWh reads, same month one year prior from the same premise.
10.	Time-of-Use estimate with less than 12 months' history for the same customer at same premise.	Time-of-Use has two readings, "on-peak" and "off-peak". The CIS system calculates the estimate using the "on peak" and "off-peak" kWh of the preceding month from the same premise.
11.	Time-of-Use estimate with less than 12 months' history for a new customer but with history on the premise.	Time-of-Use has two readings, "on-peak" and "off-peak". The CIS system calculates the estimate using the "on peak" and "off-peak" kWh of the preceding month from the same premise.
12.	Time-of-Use estimate with no prior consumption history for a new customer at new premise.	The CIS system will bill the fixed monthly customer charge only. The kWh will be billed with the next valid read in accordance with the Arizona Administrative Code.

**ESTIMATION METHODOLOGIES**  
**SCHEDULE EM**

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**B. Variance in estimation methods for differing conditions.**

Examples of differing causes for estimation include, but are not limited to: tampering, energy diversion, damaged or destroyed meter, partial meter failure, and meter reading equipment failure.

In the event the meter has been tampered with or destroyed, or energy diversion has occurred, the methods referred to in item A. above still apply, prorating the usage if the estimation period is less than a full billing cycle. Examples;

**Tampering and/or Energy Diversion:**

A valid read was obtained on October 1, Year Two. A tampering or energy diversion is discovered on October 15<sup>th</sup>; the meter has the same reading from October 1, Year Two. An investigation reveals the service is active and electricity is being consumed. The same service history indicated a kWh usage of 900 kWh for the month of October Year One. A manual estimate will prorate based upon a daily average of the 900 kWh divided by the number of days in the history record the same month (31) for a total of 29 kWh per day times the number of days tampered (15) for a final estimate of 435 kWh.

If the service does not have a 12 month history the same formula is used with the past 3 month average.

In the event the investigation reveals evidence that the tampering or energy diversion occurred for a period exceeding one month, the Cooperative will use the applicable estimation procedure to the point in time that the tampering or energy diversion may be definitely fixed, or 12 months.

**Meter Damaged/Destroyed:**

The same estimation procedure as described in item A. above is used if it is determined that the damage or destruction is caused by the customer to the point in time that the damage or destruction may be definitely fixed or 12 months.

In the event the damage or destruction is otherwise caused, the estimation procedure is the same as described in item A. above, but the customer responsibility is limited to 3 months for residential customers and 6 months for non-residential customers.

**Partial Meter Failure:**

If a meter is found to be deficient in recording any portion of the actual usage, the kW and kWh are estimated based on the percentage of deficiency for a period limited to 3 months for residential customers and 6 months for non-residential customers.

**C. Conditions when estimations are calculated by the CIS system.**

The CIS system calculates the estimate when the meter of a service does not record a valid read for the normal billing cycle for any of the reasons listed under "Conditions for Estimated Bills" above.

**ESTIMATION METHODOLOGIES**  
**SCHEDULE EM**

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D. Conditions when estimations are made manually

The manual estimate is made when there is a partial meter failure, or there is tampering, or a damaged/destroyed meter for less than the normal billing cycle and the bill must be prorated.

E. Procedures to minimize the need for using estimated data.

If feasible, the meter reader is asked to return to the service for a valid read. If the service has access problems an Offsite Meter Reading (OMR) or Automated Meter Reading (AMR) device may be installed. However, the Cooperative shall have the right of safe ingress to and egress from the customers premises at all reasonable hours for any purpose reasonably connected with property used in furnishing service and the exercise to any and all rights secured to it by law or the Arizona Corporation Commission..

F. Procedures for estimating first and final bills.

First and final bills are not estimated unless the meter fails. If the reading is not recorded for the first bill, the first bill is issued for the fixed monthly charge only. The total kWh will be billed on the first valid read. The final bill is not issued until such time a valid read is secured.

In the event of metering equipment that is damaged, destroyed or absent for the first or final bill, the estimate is the same as B. and D. above.

In the event of metering equipment failure for the first or final bill, the estimate is the same as B. and D. above.

In the event of metering equipment failure, is damaged, destroyed or absent for an account with a demand reading, for the first or final bill, the kWh and/or kW estimate is based on the connected equipment operating characteristics.

G. Procedure for estimation using customer specific data.

If there is no service history available on which to base an estimate, the kWh and/or kW estimate is based on the connected equipment operating characteristics.